

**Opening Statement of
Chairman Paul Gosar
Tuesday, November 7, 2017 at 2:00 p.m.
1324 Longworth House Office Building
Before the Energy and Mineral Resources Subcommittee
Legislative Hearing on:
*“The SECURE American Energy Act”***

Today the Subcommittee will consider a discussion draft of the now-titled “SECURE American Energy Act,” which contains meaningful and effective proposals to improve the management of our nation’s natural resources. Title I of this bill contains a series of policy changes to increase access to offshore oil, gas, and wind resources, 94% of which had been locked up by short-sighted policies implemented under the Obama Administration. Title II of this bill seeks to improve management of federal onshore oil and gas resources by empowering states to assume certain permitting functions for federal wells within their borders. These proposals provide a blueprint for energy dominance on our nation’s lands.

Title I of this bill seeks to increase access to offshore resources in several practical ways. First, Title I establishes a revenue sharing structure for the Atlantic states of Virginia, North Carolina, South Carolina, and Georgia, as well as Alaska. By

creating an equitable revenue sharing scheme in the early days of Atlantic and Alaskan OCS production, we will assist these states by offsetting the potential adverse effects of OCS production, while raising support for increased access in these areas.

Furthermore, Title I attempts to increase access to OCS lands by placing limitations on the President's authority to withdraw OCS lands from oil and gas leasing. President Obama relied on Section 12(a) of the Outer Continental Shelf Lands Act, or "OCSLA," to withdraw 118.8 million acres from oil and gas development off Alaska and the Atlantic. Section 105 of this bill reverses this unilateral action, and limits future moratoria by requiring Congressional action.

Finally, Title I amends another overly restrictive statutory requirement that impedes access to offshore development. Under OCSLA, the Secretary of the Interior is directed to develop an offshore oil and gas leasing plan that dictates lease sales for five years. A newly confirmed Secretary may call for a revised plan, effectively cancelling approved lease sales contained within the previously approved plan. Section 105 of this bill eliminates that

uncertainty by requiring the execution of all approved lease sales under any leasing plan.

Title II reaffirms the States' exclusive authority to permit oil and gas operations on State and private land and enables States with established permitting and regulatory programs to manage certain federal permitting and regulatory responsibilities for oil and gas development on Federal lands within their borders.

While oil and gas production has flourished on State and private land, inefficiencies and redundant requirements imposed by the Federal government have discouraged oil and gas production on our public lands, resulting in lost revenue to taxpayers. Meanwhile, States with established regulatory frameworks for permitting oil and gas development on State lands already perform many of the regulatory functions performed by the Bureau of Land Management – but more efficiently and with less cost.

To address this disparity, the bill allows the Secretary of Interior to delegate specific authorities related to oil and gas

development to the States. This will eliminate several redundancies in the permitting process, reduce compliance costs and increase certainty for oil and gas producers. This legislation will also reinforce the States' authority over oil and gas operations by clarifying that operations on State and private lands that impact Federal oil and gas will not be subject to the Federal regulatory process.

Furthermore, this bill ensures that the States receive their fair share of oil and gas revenues produced on Federal land. By eliminating a 2 percent fee charged by the Federal government for the collection and disbursement of mineral revenues, this legislation provides States with a path to maintain stewardship over their share of mineral revenues and invest in schools, infrastructure and other important public services.

Finally, this legislation will reinforce the States' exclusive authority to regulate hydraulic fracturing activities. The States already have stringent hydraulic fracturing regulations in place and requiring additional regulations at the Federal level only

serves to add unnecessary costs without yielding additional benefits to the public.

In conclusion, the SECURE American Energy Act provides a multifaceted approach to improving access and management of our nations valuable energy sources. We are looking forward to discussing the solutions presented by this bill with our witnesses today.